

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

333 WEST WACKER DRIVE
CHICAGO, ILLINOIS 60606-1285

TEL: (312) 407-0700
FAX: (312) 407-0411
www.skadden.com

DIRECT DIAL
(312) 407-0785
FACSIMILE
(312) 407-0411
EMAIL ADDRESS
AHOGAN@SKADDEN.COM

FIRM/AFFILIATE OFFICES

BOSTON
HOUSTON
LOS ANGELES
NEW YORK
PALO ALTO
SAN FRANCISCO
WASHINGTON, D.C.
WILMINGTON
BEIJING
BRUSSELS
FRANKFURT
HONG KONG
LONDON
MOSCOW
MUNICH
PARIS
SINGAPORE
SYDNEY
TOKYO
TORONTO
VIENNA

February 23, 2007

VIA ELECTRONIC MAIL

The Honorable Robert D. Drain
United States Bankruptcy Court
Southern District of New York
Alexander Hamilton Courthouse
One Bowling Green
New York, New York 10004

RE: In re Delphi Corporation, Case No. 05-44481 (RDD)—
Request For Pre-Motion Conference Under Local Rule
7056-1(a)

Dear Judge Drain:

On behalf of Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), I write to request a pre-motion conference under Local Rule 7056-1(a) regarding a motion for summary judgment that the Debtors wish to file on March 2, 2007, with respect to the Motion Of Clarion Corporation Of America, Pursuant To 11 U.S.C. §§ 503 And 507, For Allowance Of An Administrative Expense Claim (Docket No. 6135), dated December 12, 2006 (the "Motion"). The Motion is set for an evidentiary hearing at the omnibus hearing on April 25, 2007.

In its Motion, Clarion Corporation of America ("Clarion"), a supplier to one of the Debtors, Delphi Automotive Systems LLC ("DAS"), asks this Court to allow administrative expenses based on DAS's alleged underpayments for certain goods delivered to DAS post-petition under three supply agreements. Clarion's underlying legal theory is that the agreements provide for volume-based pricing—i.e., that the price of the goods depends on the number of units purchased by DAS—

The Honorable Robert D. Drain
February 20, 2007
Page 2

and that DAS has underpaid by purchasing a number of units associated with one price and paying a different, lower price associated with higher volumes.

In connection with each of the three agreements, Clarion and DAS executed a long-term agreement ("LTA") that set forth a single per-unit price for each calendar or model year for which the agreement is in effect, with no provision for volume-based pricing. Clarion's claim for administrative expenses depends in large part on its position that price quotations and other documents that predate the LTAs constitute part of the contracts between the parties. For their part, the Debtors contend that those documents, together with any representations or agreements contained therein, were superseded by the LTAs, as expressly stated in an integration clause contained in the general terms and conditions incorporated by reference in the LTAs.

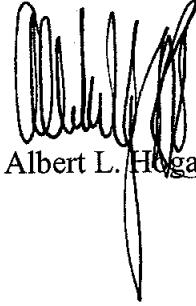
Because the Motion turns largely on legal questions of contract interpretation that can be decided by this Court in advance of a full-blown evidentiary hearing, the Debtors respectfully request a pre-motion conference under Local Rule 7056-1(a). The motion for summary judgment would be limited to the following legal issues, which do not involve genuine issues of material fact but rather can be resolved through a review of the four corners of three supply agreements (each of which consist of an LTA along with general terms and conditions and related documents expressly incorporated into the LTA):

- First, with respect to each of the three agreements at issue, whether documents that predate the LTAs constitute part of the contracts between Clarion and DAS.
- Second, if those documents do not constitute part of the contracts between Clarion and DAS, whether the contracts provide for the prices Clarion seeks to impose on DAS.

The Honorable Robert D. Drain
February 20, 2007
Page 3

The Debtors are available for a pre-motion conference at the Court's convenience.

Respectfully submitted,


Albert L. Hogan, III

cc: Michael McCrory, Barnes & Thornburg
Robert D. McGill, Barnes & Thornburg
Mark R. Owens, Barnes & Thornburg